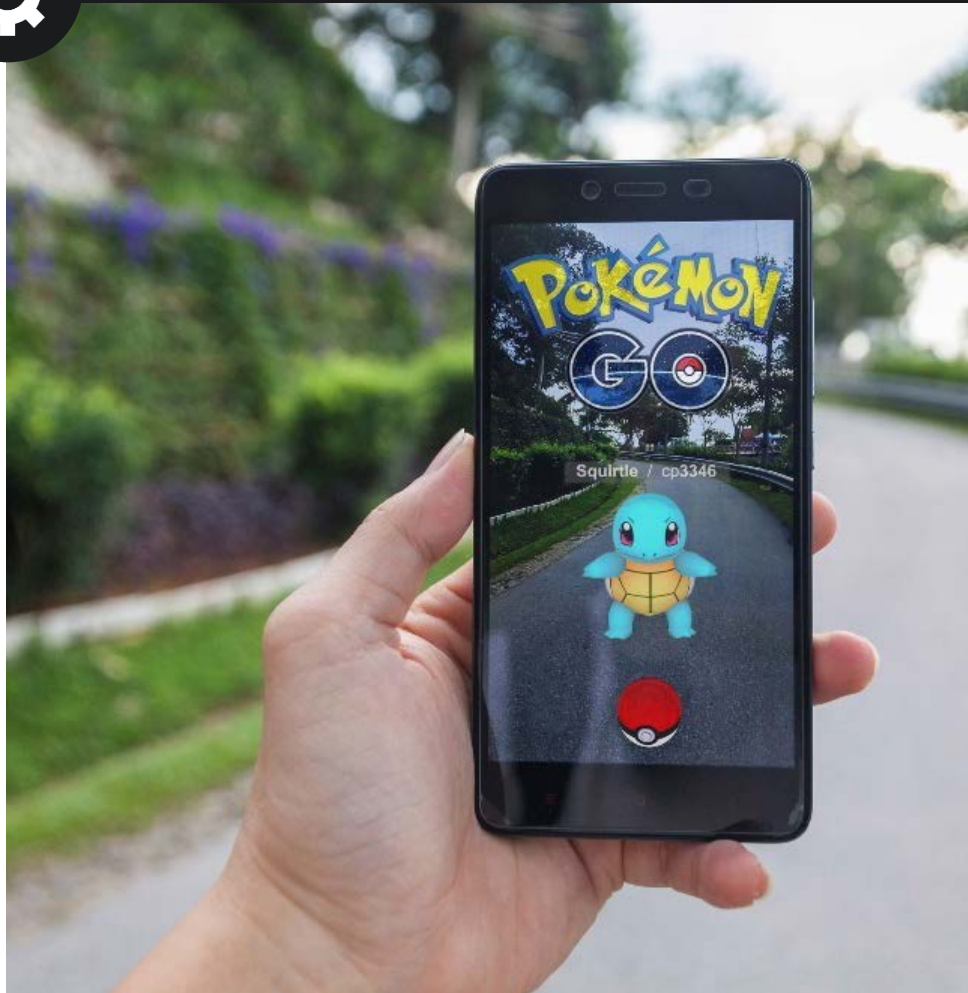




# AUGMENTED REALITY: BETTER THAN VIRTUAL?

**AR, NOT VR, MAY BE THE REAL  
WAVE OF THE FUTURE.**

*Live Q&A on August 17, 2016*



## **DISCLAIMER**

Hedgeye Risk Management is a registered investment advisor, registered with the State of Connecticut. Hedgeye Risk Management is not a broker dealer and does not provide investment advice to individuals. This research does not constitute an offer to sell, or a solicitation of an offer to buy any security. This research is presented without regard to individual investment preferences or risk parameters; it is general information and does not constitute specific investment advice. This presentation is based on information from sources believed to be reliable. Hedgeye Risk Management is not responsible for errors, inaccuracies or omissions of information. The opinions and conclusions contained in this report are those of Hedgeye Risk Management, and are intended solely for the use of Hedgeye Risk Management's clients and subscribers. In reaching these opinions and conclusions, Hedgeye Risk Management and its employees have relied upon research conducted by Hedgeye Risk Management's employees, which is based upon sources considered credible and reliable within the industry. Hedgeye Risk Management is not responsible for the validity or authenticity of the information upon which it has relied.

## **TERMS OF USE**

This report is intended solely for the use of its recipient. Re-distribution or republication of this report and its contents are prohibited. For more detail please refer to the appropriate sections of the Hedgeye Services Agreement and the Terms of Use at [www.hedgeye.com](http://www.hedgeye.com).

# MOVERS AND SHAKERS: IKEA



Source: YouTube (2013)

**THE IKEA CATALOG APP USES AUGMENTED REALITY TO GIVE A VIRTUAL PREVIEW OF FURNITURE.**

# MOVERS AND SHAKERS: LOWE'S



Source: *Adweek* (2014), *thestar.com* (2014)

**LOWE'S (LOW) HOLOROOM ALLOWS SHOPPERS TO DESIGN THEIR KITCHEN OR BATH ON AN APP AND THEN VIRTUALLY STEP INTO THEIR DESIGN IN STORE.**

# LEXICON OF ALT-REALITY TECH

	Virtual Reality	Mixed Reality	Onsite Augmented Reality	Remote Augmented Reality	Schematic Interface
<i>Examples</i>	<i>Oculus Rift</i>	<i>Microsoft HoloLens</i>	<i>Pokémon Go</i>	<i>Drone Control Screen</i>	<i>Waze Navigation Screen</i>
“Real” Immersion in Unreal World	<b>YES</b>	<b>Partial</b>	<b>NO</b>	<b>NO</b>	<b>NO</b>
Includes Authentic Representation of Real World Environment	<b>NO</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>NO</b>
Facilitates Interactions with Real World Environment	<b>NO</b>	<b>NO</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>
Facilitates Interactions with Environment in Personal Vicinity	<b>NO</b>	<b>NO</b>	<b>YES</b>	<b>NO</b>	<b>YES</b>

# EVERYDAY AR: NAVIGATION



Source: The Verge (2011), Deftsoft (2016)

# INDUSTRY IMPACT: TRAVEL & HOSPITALITY



Source: You Visit Blog (2015), Google (2015)

# INDUSTRY IMPACT: REPAIR & ASSEMBLY



Source: Indiegogo (2013)



# INDUSTRY IMPACT: SPORTS



We already see some of this on TV, but AR takes spectator sports to the next level by putting the control in the hands of the viewer.

Source: Mobile Inc. (2009)

# INDUSTRY IMPACT: RETAIL



AR assists customers as they navigate stores, search for items on their shopping list, and hunt for deals/sales.